IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

LETTERS PATENT APPEAL No 638 of 1998

in

SPECIAL CIVIL APPLICATIONNo 8914 of 1997

For Approval and Signature:

Hon'ble MR.JUSTICE C.K.THAKKER and
MR.JUSTICE A.L.DAVE

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1. Whether Reporters of Local Papers may be allowed to see the judgements?

2. To be referred to the Reporter or not?

3. Whether Their Lordships wish to see the fair copy of the judgement?

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder?

5. Whether it is to be circulated to the Civil Judge?

TORRENT PHARMACEUTICALS LTD.

Versus

UNION OF INDIA

Appearance:

MR RR SHAH for Appellant

MR. T.N.DARUWALA FOR MR PP BANAJI for Respondent No. 1

CORAM : MR.JUSTICE C.K.THAKKER and
MR.JUSTICE A.L.DAVE

Date of decision: 06/05/98

ORAL JUDGEMENT (PER C.K.THAKKER J.)

This appeal is filed against summary dismissal of

Special Civil Application No. 8914 of 1997 by the learned Single Judge on April 7, 1998.

The appellant is original petitioner. It was the case of the appellant that it was engaged in a business of manufacturing and marketing in Pharmaceuticals and Medicinal preparations for over two decades. It made an application for registration of Trade Mark VIREX on January 27, 1987 in respect of its medicinal and pharmaceuticals preparation. The said application was advertised in the Trade Journal on 1st January 1995. On 6th April 1995, the Welcome Foundation Ltd., respondent no.3 herein filed a notice of opposition to the registration of the said Trade Mark in accordance with the provisions of the Trade and Merchandise Marks Rules, 1959 (hereinafter referred to as "the Rules"). The appellant filed counter statement on 10th October, 1995, a copy of which was served upon the respondent No.3 on November 22, 1995. The third respondent was required to adduce evidence in support of his opposition within two months of the service of counter statement under Rule 53 of the Rules. An application for extension of time was made by the third respondent to the second respondent on 10th January, 1996 which was granted by the second respondent. Further extensions were also granted. An interlocutory application filed by the third respondent for taking further evidence on record came to be allowed by the second respondent in the interest of justice. According to the appellant, the said action taken by the second respondent was contrary to law and in violation of Rule 53 of the Rules. The appellant, therefore, challenged the said action by filing the above petition.

After considering the facts and circumstances of the case, the learned Single Judge held that in granting interlocutory application of respondent no.3, respondent no.2 had not committed any error of law, which required interference and accordingly dismissed the petition.

While rejecting the petition, the learned Single Judge observed that the application for extension of time was made by respondent no.3 within the stipulated period of two months from the service of notice on him and hence it could not be said that the extension was issued after expiry of statutory period. The learned Single Judge, however, held that looking to the scheme of the Rules, the provisions of Rule 53 of the Rules must be held to be directory and not mandatory and non-compliance thereof would not result into abandonment of opposition under sub-rule (2) of Rule 53.

Mr.R.R.Shah, learned counsel for the appellant raised several contentions. He submitted that the learned Single Judge has committed an error of law in holding that the provisions of Rule 53 are directory and not mandatory. According to him, the provision are mandatory. For the said purpose, our attention was invited to various provisions of the Trade Mark and Merchandise Marks Act, 1958, and the Rules framed thereunder. Rule 53 which is held to be directory by the learned Judge reads as under:

R.53. Evidence in support of opposition:

(1) Within two months from the service on him of a copy of the counter-statement by the Registrar, the opponent shall either leave with the Registrar such evidence by way of affidavit as he may desire to adduce in support of his opposition or shall intimate to the Registrar and to the applicant in writing that he does not desire to adduce evidence in support of his opposition but intends to rely on the facts stated in the notice of opposition. He shall deliver to the applicant copies of any evidence that he leaves with the Registrar under this sub-rule.

(2) If an opponent takes no action under sub-rule (1) within the time therein prescribed, he shall, unless the Registrar otherwise directs, be deemed to have abandoned his opposition." (emphasis supplied).

Mr.Shah submitted that the language of the Rule is imperative. It is a self contained provision. There is no question of more than one interpretation. If an application is not made within two months from the service of a copy of a counter-statement and if no actin is taken within the prescribed period the opponent shall "unless the Registrar otherwise directs be deemed to have abandoned his opposition." According to Mr.Shah, therefore, once statutory period of two months expires, the Rule will have to be given effect unless the Registrar has directed otherwise. If the Registrar has not directed otherwise and the statutory period of two months is over, the deeming provision would ipso facto operate and the opponent would be deemed to have abandoned his opposition. Mr.Shah also submitted that the learned Single Judge has committed an error of law in relying upon a decision of a Single Judge of the High Court of Bombay in Kantilal Tulsidas Jobanputra vs.

Registrar of the Trade Marks and another, 1982 PTC 127 in preference to two decisions of the High Court of Delhi in Hindustan Embrodiery Mills Pvt. Ltd. vs. Hemla Embrodery Mills Pvt. Ltd. and another, (1978) 3 IPLR 148 and VIP Industries Ltd. Bombay vs. Registrar of Trade Marks, New Delhi and another, 1995,PTC,86. He also stated that in a subsequent case in Hastimal Jain v. Registrar of Trade Marks, DRJ (34) 1995, a Single Judge of the High Court of Delhi referred the matter to a Larger Bench which was pending. He, therefore, submitted that LPA deserves admission and interim relief deserves to be granted. He stated that interim relief would not adversely affect respondent no.3 inasmuch as, it is the application of the appellant for registration which would be stayed and respondent no.3 would not be prejudiced.

Mr.Daruwala for Mr.Banaji for respondent no.3, on the other hand supported the order passed by the learned Single Judge. He submitted that the learned Single Judge has not committed any error of law in interpreting the provisions of Rule 53 of the Rules and holding them to be directory. He, however, submitted that in the facts and circumstances of the case, even if it is held that the provisions of Rule 53 are mandatory, then also the action taken and the order passed by respondent no.2 could not be said to be illegal or contrary to law since the application for extension was made in accordance with Rules by respondent no.3 within the stipulated period of two months as contemplated by Rule 53. For that, he invited our attention to certain facts, which were not controverted by the appellant. It was stated that application of the appellant for registration of Trade Mark was advertised in the Trade Journal on 1st January 1995. On 6th April 1995, respondent no.3 objected vide its notice of opposition to said registration. On 10th October, 1995, the appellant filed a counter-statement, copy of which was required to be supplied to respondent no.3. It was sent to respondent no.3 by the Assistant Registrar on November 13, 1995. But it was actually served upon respondent no.3 on November 22, 1995. it was the case of respondent no.3 that though the Assistant Registrar sent the counter statement alongwith a letter dt. 13th November, 1995, it was sent by a registered post envelope on the next day i.e. on November 14, 1995, which was received by respondent no.3 on November 22, 1995. Thus, two months would expire on 22nd January, 1996. Before the said period, however, respondent no.2 made an application for extension of period on 10th January, 1996, which was received by respondent no.2 on 15th January 1996. An order was passed by respondent no.2 granting extension of period on 18th January 1996.

Thus, considering the relevant date of receipt of counter statement by respondent no.3 on November 22, 1995, necessary action was taken by him within a period of two months by making an application on 10th January, 1996 to respondent no.2 for extension, which was received by respondent no.2 on 15th January, 1996 and an order was also passed on 18th January, 1996. Thus, in the facts and circumstances, the case did not fall under sub-rule (2) of Rule 53. He also stated that the learned Single Judge has recorded a clear finding to that effect in para 10 of the judgment. Para 10 reads as under:

> "Coming to the facts of the instant case the contention of Mr.Shah that respondent no.3 must be deemed to have abandoned his opposition on account of the non-filing of the application for extension by 13.1.1996 is clearly misconceived in facts because the two months' time stipulated by rule 53(1) for adducing evidence of the opponents is to begin from the date of service on the opponent (respondent no.3 herein) of a copy of the counter statement filed by the petitioner and this service is to be effected through the Registrar. Hence, merely because the Registrar had sent a copy of the petitioner's counter-statement to respondent no.3 alongwith Registrar's letter dated 13.1.1995 it did not mean that the period of two months referred to in Rule 53(1) commenced from 13.11.1996. It commenced from the date on which respondent no.3 received a copy of the petitioner's counter statement. The averment made on behalf of respondent no.3 that the said counter-statement and the Registrar's letter dt. 13.11.1995 were received by respondent no.3 on 22.11.1995 is not controverted and, therefore, the first contention of Mr.Shah has to be rejected as even on facts, respondent no.3 had filed its first application for extension of time to adduce evidence within the prescribed period of two months from the date of service of the Counter statement."

In view of the above facts and circumstances and a finding recorded by the learned Single Judge, in our opinion, the case of respondent no.3 did not fall within the mischief of Rule 53 (2) of the Rules. When a copy of the counter statement was received by respondent no.3 on November 22, 1995 and an application for extension was made by him on 10th January, 1996 and an order was passed by respondent no.2 on January 18, 1996, the statutory

period of two months was not over. It was, therefore, open to the respondent no.2 to extend the time which was done by him and no objection could be taken against such order. In our opinion, therefore, the order passed by respondent no.2 did not suffer from any infirmity and the learned Single Judge has not committed error in not interfering with the said order.

In our opinion, however, in the light of the facts before the learned Single Judge, it was not at all necessary to express any opinion one way or the other regarding mandatory or directory nature of Rule 53 of the Rules. It was contended by Mr.Shah, learned counsel for the appellant that if interpretation on Rule 53 put forward by respondent no.3 and accepted by the learned Single Judge would be upheld, entire object of making deeming provision by the Rule making authority will become nugatory. We would have admitted the appeal as in our opinion, in view of the phraseology used by the Rule making authority and in view of conflicting decisions of the High Court of Bombay on one hand and the High Court of Delhi on the other hand, the matter required a judgment by a Division Bench of this court. But as in the facts of the case, the provisions of Rule 53 were not applicable, it was not necessary for the learned Single Judge to express any opinion one way or the other.

For the foregoing reasons, we do not see any substance in this Letters Patent Appeal and the Letters Patent Appeal deserves to be dismissed and is accordingly dismissed. We may, however, clarify that we may not be understood to have confirmed the interpretation of Rule 53 of the Rules and the observations made by the learned Single Judge on such interpretation. We may also add that since it was not necessary in the instant case to opine on interpretation of Rule 53, all observations made by the learned Single Judge will not be treated as final and as and when such question would arise, an appropriate court would decide the said question in accordance with law without being inhibited by an order passed and observations made by the learned Single Judge.

In the result, the Letters Patent Appeal is dismissed. In the facts and circumstances of the case, however, there shall be no order as to costs all throughout.

Dt. 6.5.1998. (C.K.THAKKER J.)

(A.L.DAVE J)